

~~TOP SECRET~~

July 25, 1961

Memorandum of Minutes of the National Security Council
July 20, 1961

Before the meeting of the Council, there was a meeting of the Steering Group in the President's study on the second floor of the Executive Mansion. The Secretary of State opened this meeting with a discussion which covered the first few pages of his "talking paper" on the political scenario. He emphasized in particular that [REDACTED]

He also emphasized that we must have public opinion on our side and that the force of such international opinion on the Soviet leaders is very great.

Mr. Murrow pointed out that the problem of morale and purpose in Western Europe is more serious than Americans ordinarily believe. [REDACTED]

The Secretary of State indicated his support for a military program with three characteristics:

1. A present build-up

2. A capability to [REDACTED]

3. [REDACTED]

The Secretary of Defense outlined the specific components of the military program in Annex C and stated his conclusion that there

~~TOP SECRET~~

SANITIZED

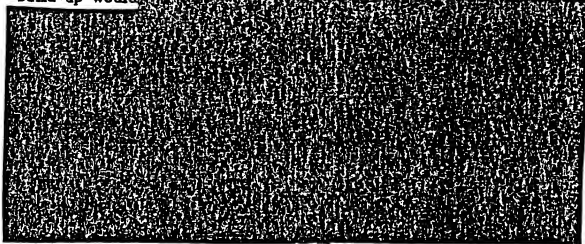
BY [REDACTED] NARA DATE 5/96
NLS-84-97

NOE 4M4. (192 Steering Grp.)

would be no need for a declaration of national emergency before September 1 at the earliest. He believed that Congressional authorization could be obtained for a limited call-up of reserves without such a declaration.

The Cabinet members of the Steering Group indicated their common belief that taxes should be increased in order to give the American public a feeling of participation in the crisis. This belief seemed to be generally shared in the Steering Group.

The President raised the question whether the proposed military build-up would



The meeting of the whole National Security Council began shortly after four o'clock in the Cabinet Room. Again the Secretary of State spoke from the first pages of his talking paper, and the Secretary of Defense from Annex C of the Interdepartmental Coordinating Group report. The President again emphasized his own view that the outlined U. S. preparations would not be adequate without



There then developed a very important exchange between Mr. Acheson and Secretary McNamara. Mr. Acheson initially appeared to wish for a present definite decision to declare a national emergency and begin the call-up of reserves not later than September. Secretary McNamara argued that it would be better not to make a definite commitment now, but to have the

~~TOP SECRET~~

- 3 -

understanding that a declaration of emergency would be declared and larger ground reserves called up when the situation required. The Secretary of Defense was opposed to a fixed target date, on the ground that it would be wrong to accept a rigid time-table in advance. He did not wish to have large reserve forces on hand with no mission. Mr. Acheson initially appeared to believe that the proposed course of action was not sufficiently energetic or definite, but the President kept the discussion going until it became clear that Secretary McNamara's flexible time-table would in fact permit a sufficiently rapid deployment in the event of deepening crisis, to satisfy Mr. Acheson. The essential point was that the present preparations would rapidly create a force in being, in the continental U. S., of six Army and two Marine divisions. In the event of a rapidly developing crisis, appropriate numbers of these divisions could be deployed to Europe and reserve divisions called up to take their place, so that up to six divisions and supporting units could be promptly deployed as needed. The exact way in which this deployment and call-up would be interconnected in time was not spelled out in detail, but the up-shot of the discussion was a general agreement that the plans as presented by Secretary McNamara were satisfactory. Mr. Acheson specifically indicated his own approval.



There was discussion of taxes. The President indicated his current judgment that it would be unwise to add \$3 1/2 billion to the budget without asking for additional taxes. On the other hand, the developing recovery might be adversely affected by immediate taxation. But perhaps it would be done by the passage of a tax bill now with the effective date after the first of the year.

Mr. Murrow restated his conviction that preparatory steps should be taken gradually, in part because each step would give us a chance to restate our views and the reasons for what we are doing. He reminded the Council that the polls show weakness in European

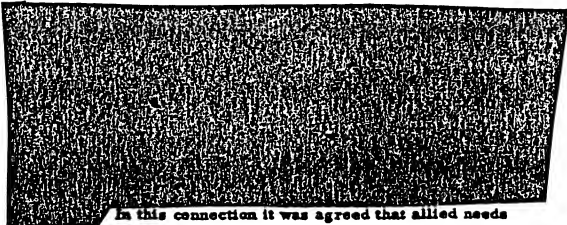
~~TOP SECRET~~

opinion. To this the Secretary of State replied that opinion can be changed, and the President remarked that we must keep the issue focussed on our common commitment.

The discussion turned to government military assistance,



The reference to the British balance of payments problem led to discussion of the parallel problem which might develop for Americans if large new forces were deployed in Europe for a substantial period of time. The Secretary of the Treasury indicated that he would have a real problem in such a case, in the long run, while the Secretary of Defense indicated that over such a period of time there could be rearrangements that would reduce the drain on our gold.



In this connection it was agreed that allied needs should be taken into account in the preparation of the U. S. military build-up and in the activation of new lines of production.

The Secretary of the Treasury pointed out the importance of making clear that the military proposals of the Defense Department

~~TOP SECRET~~

- 5 -

implied the preparation of a capability, and not a present decision to deploy troops to Europe on a large scale. The President strongly agreed with this comment, and it was agreed that the decisions of this meeting would be recorded and reported to all concerned, with emphasis on the word "capability."

There was brief discussion between the President and Ambassador Finletter about the state of consultation in NATO, and in response to the President's question, Ambassador Finletter indicated that he was not really happy about this matter. The tendency of other members of NATO was to wait for information from the United States, and he was seeking means to place the problem of consideration and counsel on other shoulders as well.

In a separate memorandum the Presidential decisions developing from these matters have been recorded. (National Security Action Memorandum No. 62.)

McGeorge Bundy

~~TOP SECRET~~